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MANUFACTURING AND TRADE INVENTORIES AND SALES DECEMBER 2005

INTENTION TO REVISE: Revisions to the Retail and Wholesale adjusted and unadjusted monthly estimates for sales and inventories are scheduled for release on March 30, 2006. Estimates will be revised to reflect the results of the 2004 annual surveys, as well as the results of the 2002 Economic Census. Manufacturing estimates will be revised at a later date. Revisions to the Retail and Wholesale data will be reflected in the February 2006 Manufacturing and Trade Inventories and Sales release scheduled for April 13, 2006.

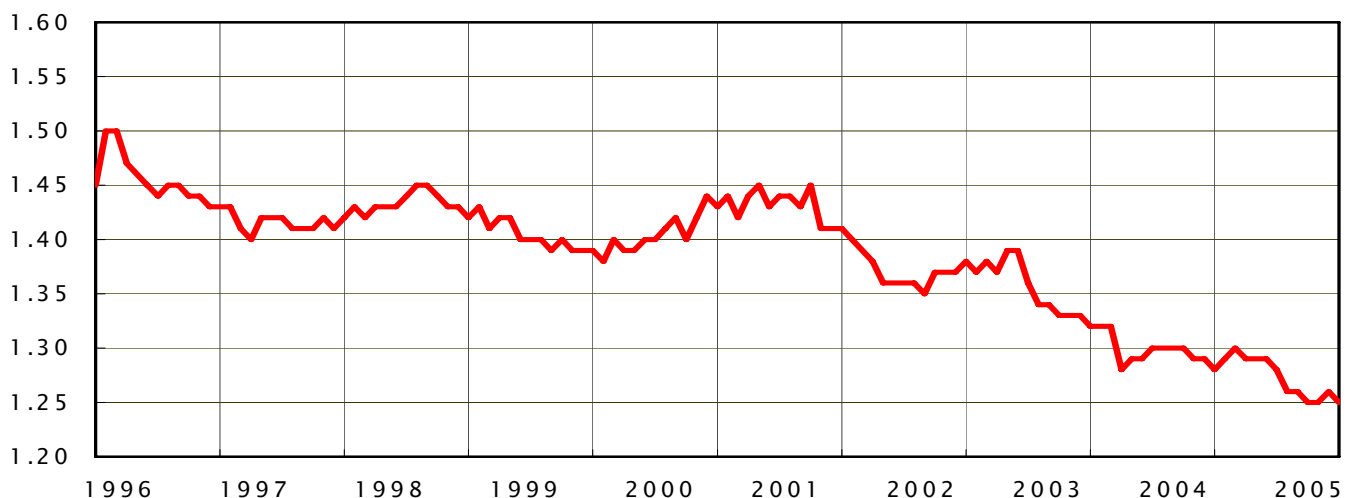
Sales. The U.S. Census Bureau announced today that the combined value of distributive trade sales and manufacturers' shipments for December, adjusted for seasonal and trading-day differences but not for price changes, was estimated at \$1,044.5 billion, up 1.2 percent ($\pm 0.2\%$) from November and up 7.0 percent ($\pm 0.4\%$) from December 2004.

Inventories. Manufacturers' and trade inventories adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1.303.7 billion, up 0.7 percent ($\pm 0.2\%$) from November and up 4.3 percent ($\pm 0.4\%$) from December 2004.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of December was 1.25. The December 2004 ratio was 1.28.

Total Business Inventories/Sales Ratios: 1996 to 2005

(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



The Manufacturing and Trade Inventories and Sales Report for January is scheduled to be released March 14, 2006 at 10:00 a.m. EST.

For information, visit the Census Bureau's Web site at <http://www.census.gov/bussales>. This report is also available the day of issue through the Department of Commerce's STAT-USA (202-482-1986).

** The 90 percent confidence interval includes zero. The Census Bureau does not have sufficient statistical evidence to conclude that the actual change is different from zero.*

Table 1. Estimated Monthly Sales and Inventories for Manufacturers, Retailers, and Merchant Wholesalers
(In millions of dollars)

	Sales			Inventories ¹			Inventories/Sales Ratios		
	Dec. 2005	Nov. 2005	Dec. 2004	Dec. 2005	Nov. 2005	Dec. 2004	Dec. 2005	Nov. 2005	Dec. 2004
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted²									
Total business.....	1,044,526	1,031,666	975,886	1,303,747	1,294,786	1,249,411	1.25	1.26	1.28
Manufacturers ³	407,909	399,273	380,511	469,811	467,617	450,637	1.15	1.17	1.18
Retailers.....	321,706	320,662	304,545	471,454	468,128	459,060	1.47	1.46	1.51
Merchant wholesalers.....	314,911	311,731	290,830	362,482	359,041	339,714	1.15	1.15	1.17
Not Adjusted									
Total business.....	1,095,066	1,023,782	1,032,173	1,287,964	1,325,984	1,234,115	1.18	1.30	1.20
Manufacturers ³	403,619	393,725	375,893	457,148	468,160	438,748	1.13	1.19	1.17
Retailers.....	379,398	319,660	360,352	466,605	497,933	454,083	1.23	1.56	1.26
Merchant wholesalers.....	312,049	310,397	295,928	364,211	359,891	341,284	1.17	1.16	1.15

See footnotes and notes at the end of Table 3.

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

Table 2. Percent Changes for Sales and Inventories — Manufacturers, Retailers, and Merchant Wholesalers

	Adjusted						Not Adjusted					
	Sales			Inventories			Sales			Inventories		
	Dec. 05/ Nov. 05	Nov. 05/ Oct. 05	Dec. 05/ Dec. 04	Dec. 05/ Nov. 05	Nov. 05/ Oct. 05	Dec. 05/ Dec. 04	Dec. 05/ Nov. 05	Nov. 05/ Oct. 05	Dec. 05/ Dec. 04	Dec. 05/ Nov. 05	Nov. 05/ Oct. 05	Dec. 05/ Dec. 04
Total business.....	1.2	0.3	7.0	0.7	0.6	4.3	7.0	-1.1	6.1	-2.9	1.2	4.4
Manufacturers.....	2.2	0.8	7.2	0.5	0.3	4.3	2.5	-2.9	7.4	-2.4	-0.3	4.2
Retailers.....	0.3	0.9	5.6	0.7	1.0	2.7	18.7	3.0	5.3	-6.3	3.2	2.8
Merchant wholesalers..	1.0	-0.7	8.3	1.0	0.5	6.7	0.5	-2.8	5.4	1.2	0.4	6.7

Table 3. Estimated Monthly Retail Sales, Inventories, and Inventories/Sales Ratios, By Kind of Business
(In millions of dollars)

NAICS Code	Kind of Business	Sales			Inventories ¹			Percent Change In Inventories			Inventories/Sales Ratios		
		Dec. 2005 (p)	Nov. 2005 (r)	Dec. 2004 (s)	Dec. 2005 (p)	Nov. 2005 (r)	Dec. 2004 (s)	Dec. 05/ Nov. 05	Nov. 05/ Oct. 05	Dec. 05/ Dec. 04	Dec. 05	Nov. 05	Dec. 04
	Adjusted ²												
	Retail trade, total.....	321,706	320,662	304,545	471,454	468,128	459,060	0.7	1.0	2.7	1.47	1.46	1.51
	Total (excl. motor veh. & parts).....	245,661	245,522	227,247	317,606	315,725	304,338	0.6	0.4	4.4	1.29	1.29	1.34
441	Motor vehicle & parts dealers.....	76,045	75,140	77,298	153,848	152,403	154,722	0.9	2.1	-0.6	2.02	2.03	2.00
442,3	Furniture, home furn., elect. & appl. stores.....	17,693	17,877	16,763	29,209	28,977	28,226	0.8	0.5	3.5	1.65	1.62	1.68
444	Building materials, garden equip & supplies.....	29,242	29,289	26,531	48,164	47,753	44,803	0.9	1.5	7.5	1.65	1.63	1.69
445	Food & beverage stores.....	44,354	44,211	42,304	33,886	33,829	33,445	0.2	0.4	1.3	0.76	0.77	0.79
448	Clothing & clothing access. stores.....	17,184	17,195	16,091	39,825	39,579	37,857	0.6	-0.3	5.2	2.32	2.30	2.35
452	General merchandise stores.....	45,502	45,498	43,151	74,039	73,595	70,786	0.6	0.4	4.6	1.63	1.62	1.64
4521	Dept. str. (excl. leased depts.).....	17,845	18,027	18,183	38,490	38,254	38,128	0.6	0.1	0.9	2.16	2.12	2.10
	Not Adjusted												
	Retail trade, total.....	379,398	319,660	360,352	466,605	497,933	454,083	-6.3	3.2	2.8	1.23	1.56	1.26
	Total (excl. motor veh. & parts).....	306,648	252,838	286,140	309,250	344,040	296,184	-10.1	1.8	4.4	1.01	1.36	1.04
441	Motor vehicle & parts dealers.....	72,750	66,822	74,212	157,355	153,893	157,899	2.2	6.5	-0.3	2.16	2.30	2.13
442,3	Furniture, home furn., elect. & appl. stores.....	25,123	19,775	23,858	29,238	32,889	28,226	-11.1	4.5	3.6	1.16	1.66	1.18
444	Building materials, garden equip & supplies.....	25,945	28,069	23,948	46,815	46,273	43,459	1.2	0.0	7.7	1.80	1.65	1.81
445	Food & beverage stores.....	49,559	44,031	46,778	34,694	35,625	34,248	-2.6	3.0	1.3	0.70	0.81	0.73
448	Clothing & clothing access. stores.....	30,480	18,463	28,391	36,559	43,735	34,791	-16.4	-0.8	5.1	1.20	2.37	1.23
452	General merchandise stores.....	67,906	50,207	65,421	69,920	86,639	66,805	-19.3	3.3	4.7	1.03	1.73	1.02
4521	Dept. str. (excl. leased depts.).....	31,024	21,117	31,936	35,757	46,173	35,421	-22.6	2.9	0.9	1.15	2.19	1.11

(p) Preliminary

(r) Revised

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

¹ Inventories are on a non-LIFO basis as of the end of the month.

² Adjusted for seasonal variations and, in the case of sales, for trading-day differences and holiday variations. Concurrent seasonal adjustment is being used to adjust all sales, shipment and inventory estimates. Concurrent seasonal adjustment uses all available unadjusted estimates as input to the X-12-ARIMA program. The factors derived from the program are applied to the current and previous month estimates and for retail and wholesale estimates a year ago as well. For retail sales, concurrent seasonal adjustment is also used to adjust the advance estimates (published one month before the preliminary estimates) and the estimates one year before the advance month. This explains the revision to retail estimates from a year ago.

³ Manufacturers sales refer to the value of shipments by manufacturers. The shipments data from individual manufacturers are adjusted prior to tabulation for the number of trading days as well as for any variations in the length of the reporting period.

Note: U.S. and group totals include kinds of business not shown. The Manufacturing and Trade Inventory and Sales estimates are based on data from three surveys: the Monthly Retail Trade Survey, the Monthly Wholesale Trade Survey, and the Manufacturers' Shipments, Inventories, and Orders Survey. The sampling variability for retailers and merchant wholesalers can be used to construct a 90 percent confidence interval for the estimates. Over all possible samples, 90 percent of such intervals will cover the true estimate. These intervals are given in parentheses for the estimates on the front page. If, for example, the estimate is up 0.8 percent and the margin of sampling error is ± 1.2 percent, the 90 percent confidence interval is -0.4 percent to +2.0 percent. If the range contains 0, it is uncertain whether there was an increase or decrease. Measures of reliability for Retail and Wholesale sales and inventory levels and changes are included in the detailed monthly press releases for those industries. Manufacturers do not contribute to estimates of sampling variability because the manufacturer's mail panel is not a probability sample from a known frame and standard errors of the industry estimates cannot be calculated. Estimates from all three surveys are also subject to nonsampling errors, which can arise in any stage of the survey. Such errors include coverage error (failure to accurately represent all population units in the sample) response errors, coding errors, and nonresponse. Although no direct measurement of these errors has been obtained, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data to minimize their influence.